IN THE HIGH COURT OF GUJARAT AT AHMEDABAD

APPEAL FROM ORDER No 90 of 2000

with

CIVIL APPLICATION No 1505 of 2000

with

CIVIL APPLICATION No 6293 of 2003

For Approval and Signature:

HON'BLE MR.JUSTICE K.S.JHAVERI

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1. Whether Reporters of Local Papers may be allowed to see the judgements? : YES

2. To be referred to the Reporter or not? : YES

3. Whether Their Lordships wish to see the fair copy of the judgement? : NO

4. Whether this case involves a substantial question of law as to the interpretation of the Constitution of India, 1950 of any Order made thereunder? : NO

5. Whether it is to be circulated to the concerned Magistrate/Magistrates,Judge/Judges,Tribunal/Tribunals? : NO

BHAVNESH MOHANLAL AMIN

Versus

NIRMA CHEMICAL WORKS LTD.

Appearance:

1. Appeal from Order No. 90 of 2000

MR P M THAKKAR Sr.Advocate with Mr.Premal S Rachh

and MR YM THAKKAR Advocates for Appellant No.

MR K B TRIVEDI Sr.Advocate with Mr.Y J Trivedi and

MR Tejas Barot Advocates for Respondent No.1-2

CORAM : HON'BLE MR.JUSTICE K.S.JHAVERI

Date of decision: 09/05/2005

C.A.V. JUDGEMENT

1.0 This appeal is directed against the judgment and order dated 11.2.2000 passed by the City Civil Judge, Ahmedabad, below Exh.5/6 in Notice of Motion in Civil Suit No.1952/1999, whereby the defendants-appellants were restrained from manufacturing and marketing their products i.e. flour mills (Ghar Ghanti) by using the word NIMA till hearing and final disposal of the suit.

2.0 The respondents-original plaintiffs filed Civil Suit No.1952/1999 for a declaration and permanent injunction. The case of the respondents-original plaintiffs is as under:

2.1 The plaintiff no.1 is a Company incorporated under the provisions of the Indian Companies Act, 1956 and plaintiff no.2 is a Trust registered under the provisions of the Indian Trusts Act. Plaintiff no.2 is the owner and proprietor of the trade mark NIRMA and the same trade mark has been assigned in favour of plaintiff no.1 by way of assignment deed. The assignment deed is filed for registration under the provisions of the Trade Marks Act and plaintiff no.1 is engaged in the business of manufacturing and marketing various consumer products in India and elsewhere.

2.2 The plaintiff's predecessor-in-title started manufacturing and marketing detergent powder, detergent cake and other products in India and elsewhere. The word NIRMA has been coined and invented from the name of NIRUPAMA, daughter of Smt. Shantaben K. Patel, a partner of the said partnership firm and as trade mark NIRMA has been registered. The same is continuously used in various packing materials for different products i.e. soap, detergent powder, detergent cake, cleaning preparations, etc..

2.3 Trade mark NIMA is also used and got registered under the Trade Marks Act in respect of various classes i.e. like spices, match box and other consumer items. Plaintiffs' products are sold throughout India and the name NIRMA has acquired reputation and goodwill in the market. The plaintiffs have applied for registration of similar names NIRMAL, NIMA and also applied for exclusive right to use the same word. According to them, the plaintiffs have got some of the registration which

includes registration of mark NIMA. The plaintiff no.1 is registered at Registration No.422839 in respect of the goods covered in Class 7, and therefore, the use of the same or any other identical or deceptively similar by any other person more particularly by the defendants amounts to infringement to the plaintiffs' trade marks. Trade mark NIMA is also registered bearing Registration No.396185/B of 1982.

2.4 It is alleged that the appellants-defendants have adopted and started using the word NIMA for marketing their flour mills. Therefore, Notice was served on 22.9.1998 calling upon the defendants to stop using the trade mark NIMA. The defendants replied to the Notice on 07.10.1998. Again, another notice was served to which there was no reply. According to the plaintiffs, by using the word NIMA the defendants are creating confusion and deception in the mind of general public because the word NIMA is identical and deceptively similar to the plaintiff no.1's very popular trade mark NIRMA. However, the defendants declined to stop using the word NIMA for their products. Under these circumstances, the plaintiffs preferred the aforesaid Civil Suit. In the suit proceedings, notice of motion was taken out at Exhs.5/6.

2.5 The trial Court after hearing the parties passed an order on 11.2.2000, whereby the plaintiffs-defendants were restrained by an order of temporary injunction from manufacturing and marketing their products i.e. flour mills (Ghar Ghanti) by using the word NIMA till hearing and final disposal of the suit.

2.6 It is against the aforesaid order the present appeal has been filed by the original defendants.

3.0 Mr.P M Thakkar learned Senior Counsel appearing with Mr.Premal S. Rachh and Mr.Y M Thakkar learned advocates for the appellants has submitted that the appellants are using the mark NIMA since 12.02.1997 with respect to flour mills, whereas the respondents have never used either the mark NIRMA nor the mark NIMA for the said product at all. He has submitted that the respondents have not used the mark NIRMA for any product other than detergent in the form of bar, cake or powder.

3.1 Learned counsel has submitted that in the impugned order there is a reference that the respondents have used the mark NIMA for a residential house and in relation to a Trust. He has submitted that the usage is wholly irrelevant as the residential house or the Trust

is not a "product" and the mark is required to be used in relation to goods in respect of which it is registered, and therefore, the same cannot be relied for seeking injunction.

3.2 Learned counsel has submitted that the findings of the trial Court in favour of the plaintiffs-respondents with respect to the Associated mark and Defensive mark is wholly erroneous, since it is not even the case of the respondents-plaintiffs that the word NIMA is an Associated trademark of NIRMA nor that the mark NIRMA is registered as Defensive trade mark u/s.47(3) of the Trade & Merchandise Act, 1958 (for short, "the Act"). Learned counsel has, therefore, submitted that in the result the mark NIMA is not used as a trademark with any goods of the respondents either in Class 3 or Class 7.

3.3 Learned counsel has further submitted that the respondents' suit for infringement of trademark and for passing off was based on the Registration of the trademark NIRMA in Para-A of the Register in respect of the goods, inter alia, "washing powder and washing soap" - which are included in Class 3, the Registration of the trademark NIMA in Part-B of the Register in respect of the goods, inter alia, "washing soap and detergents in the form of power, cake and bar, cleaning powder" - which are included in Class 3 and the Registration of the trademark NIRMA in respect of the goods "machines and machine tools, motors (except for land vehicles) machine couplings other than belting (except for land vehicles)" - which are included in Class 7 on 25/06/1984.

3.4 Learned counsel has submitted that though the respondents-plaintiffs had obtained registration of the trademark NIRMA in respect of the aforesaid goods included in Class 7 in the year 1984, they have not been used so far, and therefore, the suit filed by the respondents-plaintiffs for infringement of trademark, against the use of the trademark NIMA for flour mills by the appellants-defendants is not tenable in view of the rights of registration conferred by registration within the meaning of Section 28(1) of the said Act. The said provision reads as under;

"Section 28(1) : Subject to the other provisions of this Act, the registration of a trademark in Part-A or Part-B of the register shall, if valid, give to the registered proprietor of the trade mark the exclusive right to the use of the trademark in relation to the goods in respect of

which the trademark is registered and to obtain relief in respect of infringement of the trademark in the manner provided by this Act."

3.5 Learned counsel has, therefore, submitted that the trial Court has grossly erred in granting injunction in favour of the respondents since the registration obtained by the respondents in Class 7 does not include "flour mills" and that the registration of the trademark NIMA is in respect of the goods included in Class 3 and not in Class 7.

3.6 Learned counsel has further submitted that in view of the provisions of Section 29(2) of the said Act, the suit filed by the respondents-plaintiffs is basically of the nature of "passing off" since the respondents have obtained registration of the trade mark NIMA in respect of goods included in Class 3 only and that too in Part-B of the register. Therefore, the respondents are not entitled to maintain an action for infringement against the appellants herein for the use of the trade mark NIMA for flour mills.

4.0 Learned counsel has submitted that the suit for "passing off" based on the user of the trade mark NIMA and NIRMA for the goods included in Class 3 only against the use of the trade mark NIMA for flour mills by the appellants is to be considered as per the ratio laid down by the Apex Court in a decision of the Gujarat High Court in the case of Cadila Health Care v. Cadila Pharmaceuticals reported in [2001 PTC - 300 (SC) = 2001 (1) CTMR 288 (SC) = J.T. 2001 (4) S.C. 243], wherein it has been held that factors like the nature of the goods, the similarity in the nature, the class of purchasers, the mode of purchasing the goods or placing orders for goods, degree of skill to be exercised in purchasing the rival goods and the price of the respective goods are to be considered. Learned counsel has, therefore, submitted that the learned trial Judge has committed a serious error in granting injunction in favour of the respondents since there didn't exist even a remote chance of deception or confusion or passing off and accordingly, it cannot be said that the appellants have infringed any right or passed off their goods with that of the respondents' goods.

4.1 Learned counsel has relied upon a decision of the Bombay High Court in the case of Macmillan & Co. v. K.& J. Cooper reported in A.I.R. 1924 Privy Council 75, and more particularly, on the following observations made in page 85;

"The word 'original' does not in this connection mean that the work must be the expression of original or inventive thought. Copyright Acts are not concerned with the origin of ideas but with the expression of thought; and in the case of 'literary work', with the expression of thought in print or writing. The originality which is required relates to the expression of the thought; but the Act does not require that the expression must be in an original or novel form, but that the work must not be copied from another work that it should originate from the author."

4.2 Learned counsel for the appellants has next relied upon a decision of the Allahabad High Court in the case of Thomas Bear & Sons (India) Ltd. v. Prayag Narain and another reported in A.I.R. 1940 Privy Council pg. 86, wherein it has been held that in trademark cases, conditions peculiar to India must be borne in mind in applying any doctrine of English Law and English decisions which turn or partly turn on questions of fact, as do most cases of common law, trade marks and passing off can only be applied with care and circumspection.

4.3 Learned counsel has next relied upon a decision in the case of Edwards v. Dennis reported in 1885 Chancery Division Vol.30 pg.454, and more particularly on the observations of the Court in page 477 of the decision. It reads as under;

"..... In my opinion, it is perfectly ridiculous to suppose it means that a trademark is to be registered as belonging to goods which the man does not manufacture at all. It must mean that the mark is to be registered, not in connection with nothing, but in connection with the particular trade in respect of which he desires to use it."

4.4 Learned counsel has next relied upon a decision of the Delhi High Court in the case of Three-N-Products (P) Ltd. v. Pardesi General Store & Ors. reported in 2000 (20) PTC 489, wherein it has been held that there shall be no passing off, if the color scheme and the manner of reproduction of the logo are not similar.

4.5 Learned counsel has next relied upon a decision of the Bombay High Court in the case of Alkem Laboratories Pvt. Ltd v. Alchem (India) Ltd. reported

in I.P.L.R. 1999 October 352. In that case, the plaintiff, a pharmaceutical company, was at the material time carrying on business of manufacturing drugs and medicines under the registered trade marks "Alkem" and "Alfakem" while the defendant was selling chemical products under the registered corporate name "Alchem (India) Ltd.". It was held therein that there was no likelihood of passing off, as the rivalry was between different types of products, i.e. between medicines and chemicals and that the features of the respective trading and marketing were also vastly different.

4.6 Learned counsel has relied upon a decision of the Delhi High Court in the case of Relaxo Rubber Limited and another v. Aman Cable Industries and another reported in 1998 PTC (18) 759, wherein it has been held that the use of the registered mark by any person in any manner in any place or in any circumstance not covered by the scope of registration does not constitute infringement.

4.7 Learned counsel has next relied upon a decision of the Bombay High Court in the case of Reliance Industries Ltd. v. Reliance Polycrete Ltd. reported in 1997 PTC (17) 581. In that case, the plaintiff was using the word "Reliance" as part of their corporate name and the defendants were in the business of manufacturing sanitary wares. It was held therein that an Undertaking by the defendant that they would not sell their products under the mark "Reliance" in the market was a "sufficient protection" against any likelihood of deception and confusion in the public.

4.8 Learned counsel has next relied upon a decision in the case of in the case of Vishnudas Trading as Vishnudas Kishandas v. Vazir Sultan Tobacco Co. Otd., Hyderabad and another reported in [A.I.R. 1996 S.C. 2275 = 1997 (4) S.C.C. 201], and more particularly, on Paras 22, 42, 43, 44, 45, 46 & 48. In that case, it has been held that if a trader or manufacturer actually trades in or manufactures only one or some of the articles coming under a broad classification, such trader or manufacturer should not be permitted to enjoy monopoly in respect of all the articles which may come under such broad classification and by that process preclude the other traders or manufacturers to get registration of separate and distinct goods which may also be grouped under the broad classification.

4.9 Learned counsel has next relied upon a decision of the Delhi High Court in the case of Kellogg Company v. Pravin Kumar Bhadabhai reported in 1996 PTC (16) 187,

wherein it has been held that there shall be no passing off of the goods merely on an allegation that they were in the similar trade dress and that in determining the similarity of get-up, the whole thing must be seen in its entirety and not in parts.

4.10 Learned counsel has relied upon a decision in the case of Exxon Corporation, 1251 Avenue of the America, New York, U.S.A. v. Exxon Packing Systems Pvt. Ltd., Hyderabad, reported in A.I.R. 1989 Madras 182, wherein it has been held that the word "otherwise" appearing in Section 120(1) of the Trade and Merchandise Marks Act, 1958, includes a "legal notice of an Advocate", and therefore, an application for grant of injunction, directly or indirectly by issuance of notice, advertisement, circular etc., was maintainable.

4.11 Learned counsel has next relied upon a decision in the case of Soni Kabushiki Kaisha v. Shamrao Maskar and others reported in A.I.R. 1985 Bombay 327, wherein it has been held that the factors creating confusion would be the nature of the mark itself, the class of customers, the extent of the reputation, the trade channel, the existence of any connection in the course of trade and several other circumstances which are required to be taken into consideration in combination, before recording a conclusion as to whether there is a likelihood of deception or confusion by use of the mark.

4.12 Learned counsel has next relied upon a decision of the Delhi High Court in the case of R. J. Reynolds Tobacco Co. v. I.T.C. Limited reported in [I.P.L.R. 1990 pg.85 = 1987 PTC 57 (DEL)]. In that case, the plaintiff was a manufacturer of cigarettes under a registered trade mark in several countries including India. The mark was not used by the plaintiff in India because of Govt. of India restrictions on import of cigarettes. It was held therein that when the plaintiff had applied for registration of the mark, the Government ban on import of cigarettes was already in existence for about 18 years, and, therefore, the plaintiff's application for registration on the plea that the mark would be put into use as and when the ban was lifted could only mean that they had no bona fide intention to use the mark at the time of application.

4.13 Learned counsel has next relied upon a decision in the case of American Home Products Corporation v. Mac Laboratories Pvt. Ltd. and another reported in A.I.R. 1986 S.C., pg.137, wherein it has been held that an application u/s.46(1)(a) of the Trade and Merchandise

Marks Act, 1958 to have the trade mark in question removed on the ground that it was not at any relevant point of time being used as a trade mark itself and that permitting its use would amount to permitting trafficking in the trade marks is liable to be quashed and set aside.

4.14 Learned counsel has next relied upon a decision of the Calcutta High Court in the case of London Rubber Co. v. Durex Products Incorporated and another reported in A.I.R. 1963 S.C., pg.1882, wherein a comparison was made between the provisions of Section 8(a) and Section 10(1) of the Trade Marks Act, 1940. It was held therein that the object of both the above provisions was to prohibit from registration, marks which are likely to deceive or cause confusion. It was further held therein that there was no likelihood of confusion or deception in the marks because the respondent's goods were confined to contraceptives for use by women which could only be used with medical assistance while the appellant's contraceptives were essentially for men.

4.15 Learned counsel has next relied upon a decision in the case of Corn Products Refining Co. v. Shangrila Food Products Ltd. reported in A.I.R. 1960 S.C. 142 [1960(1) S.C.R. 968 = 1960 S.C.J. 509], wherein it has been held that the absolute identity of the two competing marks or their close resemblance is only one of the tests for determining the question of likelihood of deception or confusion. Trade connection between different goods is another such test. Ex-hypothesis test applies only when the goods are different. These tests are independent tests. There is no reason why the test of trade connection between different goods should not apply where the competing marks closely resemble each other just as much as it applied. Whether by applying these tests in a particular case the conclusion that there is likelihood of deception or confusion should be arrived at would depend on all the facts of the case.

4.16 Learned counsel has relied upon a decision in the case of Rustom Ali Molla and others v. Bata Shoe Co. Ltd. reported in A.I.R. 1957 Calcutta 120, wherein it has been held that the acquisition of an exclusive right to a mark or name in connection with a particular article of commerce, cannot entitle the owner of that right to prohibit the use by others of such mark or name in connection with goods of a totally different character; and that such use by others can as little interfere with his acquisition of the right.

4.17 Learned counsel has relied upon a decision in the

case of Gaw Kan Lye v. Saw Kyone Saing reported in A.I.R. 1939 Rangoon 343. In that case, since there was no statutory provision for the registration of trade marks in Burma, no action could be brought for infringement of a trade mark, but the Courts can entertain passing off suits.

4.18 Learned counsel has next relied upon a decision in the case of Anglo Indian Drug and Chemical Co. v. Swastik Oil Mills Co. Ltd. reported in A.I.R. 1935 Bombay 101, wherein it has been held that in actions for infringement of trade marks, the plaintiff has to prove that his goods are known to the public by some distinct name, mark, badge, get up or appearance and that the defendant's use or imitation of the same is likely to mislead the public into a belief that the defendant's goods are those of the plaintiff. It was further held that the actual length of time during which a trade mark is used or employed is not important element for consideration and that it must have been used or employed long enough to render it probable that a reputation in the market has been acquired.

4.19 Learned counsel has next relied upon a decision in the case of Nestle's Products Ltd. and others v. M/s.Milkmade Corporation and another reported in A.I.R. 1974 Delhi 40, wherein it has been held that if the essential features of the trade mark of the plaintiff have been adopted by the defendant, the fact that the get up, packing and other writing or marks on the goods or on the packets in which he offers his goods for sale show marked differences, or indicate clearly a trade origin different from that of the registered proprietor of the mark would be immaterial in an action for infringement; whereas, in the case of passing off the defendant may escape liability if he can show that the added matter is sufficient to distinguish his goods from those of the plaintiff.

5.0 Mr.Kamal B Trivedi learned Senior Advocate appearing with Mr.Y J Trivedi and Mr.Tejas Barot learned advocates for the respondents-plaintiffs has submitted that the contention raised by the appellants-defendants that the respondents-plaintiffs are using the mark NIRMA only in respect of bars, cakes and powders is wholly incorrect, since the said mark is also being used by the respondents for products like salts, SSPs, watches, stationery, educational services, scales etc.. He has, therefore, submitted that the contention raised by the appellants that the mark NIRMA is not used by the respondents for any other product except bars, cakes or

powders is absolutely false and incorrect.

5.1 Learned counsel has submitted that so long as the mark NIRMA of the respondents is subsisting on the register, the appellants or any other person cannot be permitted to trade under the same name, since an action for passing off is maintainable in law, even in cases where the goods being traded under deceptively and / or phonetically similar mark are different in character with different trade channels and different prices. Learned counsel has submitted that registration of a mark is not to be made qua particular goods falling under a class in which registration is sought.

5.2 He has submitted that registration is conferred in respect of a class of goods and not in respect of particular goods, and therefore, the contention raised by the appellants that though the respondents have obtained registration of trade mark NIRMA in respect of the goods included in Class 7 in the year 1984, as proposed to be used, but not at all used in respect of any of the goods and that the suit of the respondents-plaintiffs for infringement of trade mark is not tenable, is wholly misconceived. Learned counsel has submitted that so long as the mark NIMA of the respondents-plaintiffs was concerned, the suit is for 'passing off' and not for 'infringement' as submitted by the appellants-defendants.

5.3 Learned counsel has further submitted that if such a person is aggrieved by the existence of such a mark on the register, the appropriate remedy available to him was to initiate rectification proceedings under Section 46 read with Section 45 of the said Act before the appropriate authority and not to infringe the mark which is already being used by a person on the ground that the said mark was registered in respect of a particular class of goods and that the person was not using the said mark in respect of the said class of goods. Learned counsel has, therefore, submitted that the trial Court has rightly granted injunction in favour of the respondents since the goods of the appellants and the respondents fall under different classes, different trade channels and even the prices of the goods were also different and the defendants had used the mark NIMA which is registered in the name of the plaintiffs.

5.4 Learned counsel has submitted that in an action of passing off the state of mind of the public at large is to be taken into consideration in arriving at a conclusion as to whether the mark is confusing, instead of looking to the external objective test of making

comparison of the activities of the parties. He has submitted that in an action of passing off, there is no need to show or prove prejudice or actual damage and that a probability of confusion is sufficient. He has submitted that the fact that the goods of the parties are different, their trade channels are different and that their prices are also different are wholly immaterial since a probability of confusion is sufficient to establish an action of passing off.

5.5 Learned counsel has further submitted that the Court has to visualize a customer or a tradesman who may happen to have dealings with the Company complaining or who may happen to want to purchase the goods manufactured by such Company and has to decide whether such a customer or tradesman would get confused by the said mark or not. He has submitted that for finding out phonetic similarity between two trade marks in an action of passing off, the test to be applied is the test of an average person with imperfect recollection and not of a man of extraordinary memory who remembers the spelling of the name of the mark of each Company or a person who jots down meticulously and methodically the names of Companies in his diary and contemplates whether he is dealing with one Company or the other. He has, therefore, submitted that since the defendants had adopted a mark similar to the plaintiffs, the trial Court was justified in granting injunction.

5.6 Learned counsel has submitted that the mark NIMA was got registered on 08.10.1982 in respect of Class 3 and on 20.12.2004, with effect from 15.10.1998, in respect of Class 7. On coming to know on 22.03.1998, that the appellants had adopted the mark NIMA and that they were manufacturing and marketing flour mills by using the said mark NIMA, Notices were issued to the appellants to stop the use of the said mark. However, no heed was paid by the appellants-defendants to the requests made by the respondents-plaintiffs. He has, therefore, submitted that the plea of the defendants that there was a delay in bringing action in the Court, after the commencement of its business, cannot have any bearing in the matter for grant of injunction since the defendants were put to notice at the earliest available opportunity.

5.7 Mr.Trivedi learned counsel has, therefore, submitted that the conclusion of the trial Court is not only based on Associated trade mark and Defensive trade mark. Even otherwise, under the statute the plaintiffs-respondents have a right to restrain any person/s from using the said words "NIRMA" and "NIMA".

6.0 Learned counsel has further submitted that the jurisdiction of the appellate Court is very limited in that it cannot seek to reach a conclusion different from the one reached by the trial Court, if the said conclusion has been arrived in a reasonable manner.

6.1 Learned counsel appearing for the respondents-plaintiffs has placed reliance on the difference between the provisions of Sections 16 & 47 of the said Act. The said Sections 16 & 47 read as under;

"Section 16 : Registration of trade marks as associated trade marks.

(1) Where a trade mark which is registered, or is the subject of an application for registration, in respect of any goods is identical with another trade mark which is registered, or is the subject of an application for registration, in the name of the same proprietor in respect of the same goods or description of goods or so nearly resembles it as to be likely to deceive or cause confusion if used by a person other than the proprietor, the Registrar may, at any time, require that the trade marks shall be entered on the register as associated trade marks.

(2) Where a trade mark and any part thereof are, in accordance with the provisions of sub-section (1) of Section 15, registered as separate trade marks in the name of the same proprietor, they shall be deemed to be, and shall be registered as, associated tarde marks.

(3) All trade marks registered in accordance with the provisions of sub-section (3) of Section 15 as a series in one registration shall be deemed to be, and shall be registered as, associated trade marks.

(4) On application made in the prescribed manner by the registered proprietor of two or more trade marks registered as associated trade marks, the Registrar may dissolve the association as respects any of them if he is satisfied that there

would be no likelihood of deception or confusion being caused if that trade mark were used by any other person in relation to any of the goods in respect of which it is registered, and may amend the register accordingly.

Section 47 : Defensive registration of well-known trade marks:-

(1) Where a trade mark consisting of any invented word has become so well known as respects any goods in relation to which it is registered and has been used, that the use thereof in relation to other goods would be likely to be taken as indicating a connection in the course of trade between those goods and a person entitled to use the trade mark in relation to the first mentioned goods, then, notwithstanding that the proprietor registered in respect of the first mentioned goods does not use or purpose to use the trade mark in relation to those other goods does not use or propose to use the trade mark in relation to those other goods and notwithstanding anything in Section 48, the trade mark may, on application in the prescribed manner by such proprietor, be registered in his name in respect of those other goods as a defensive trade mark, and while so registered, shall not be liable to be taken off the register in respect of those goods under the said Section.

(2) The registered proprietor of trade mark may apply for the registration thereof in respect of any goods as a defensive trade mark notwithstanding that it is already registered in his name in respect of those goods otherwise than a defensive trade mark, or may apply for the registration thereof, in respect of any goods otherwise than as a defensive trade mark notwithstanding that it is already registered in his name in respect of those goods as defensive trade mark, in lieu in each case of the existing registration.

(3) A trade mark registered a a defensive trade mark and that trade mark as otherwise registered in the name of the same proprietor shall, notwithstanding that the respective registrations are in respect of different goods, be deemed to be and shall be registered as associated trade marks.

(4) On application made in the prescribed manner to a High Court or to the Registrar, by any person, aggrieved, the registrations of a trade mark as a defensive trade mark may be cancelled on the ground that the requirements of sub-section (1) are no longer satisfied in respect of any goods in relation to which the trade mark is registered in the name of the same proprietor otherwise than as a defensive trade mark, or may be cancelled as respects any goods in relation to which it is registered as a defensive trade mark on the ground that there is no longer any likelihood that the use of the trade mark in relation to those goods, would be taken as giving the indication mentioned in sub-section (1).

(5) The Registrar may at any time cancelled the registration as a defensive trade mark of a trade mark of which there is no longer any registration in the name of the same proprietor otherwise than as a defensive trade mark.

(6) Except as otherwise expressly provided in this Section, the provisions of this Act shall apply in respect of the registration of trade marks as defensive trade marks and of trade marks so registered as they apply in other cases."

6.2 He has, therefore, submitted that on comparing the said two Sections, there is clear reason to believe that respondents-plaintiffs have got registration of mark NIRMA in all classes of goods as a defensive trade mark and NIMA as an associated trade mark, even though the two registrations were in respect of different goods. Learned counsel has, therefore, submitted that prima facie, it is well established that proprietary rights

with regard to the above referred two trade marks were vested with the plaintiffs and the trial Court has rightly granted injunction in their favour. In support of his contentions, learned counsel has placed reliance upon the various decisions of the Apex Court and various other High Courts.

7.0 Learned counsel appearing for the respondents-plaintiffs has relied upon the decision of the Bombay High Court in the case of Mahendra & Mahendra Paper Mills Ltd. v. Mahindra & Mahindra Ltd., reported in [A.I.R. 2000 S.C. 117 = 2001 (2) CTMR 597 (SC)], and more particularly, on Paragraphs 7, 8, 18 & 23. In that case, the plaintiff Company was using the name "Mahindra" and "Mahindra & Mahindra" in its business concern since five decades and the defendant Company which was yet to commence its business used the name "Mahendra & Mahendra" as its corporate name. The following observations made in Para 23 of the decision are relevant;

> "... The name has acquired a distinctiveness and a secondary meaning in the business or trade circles. People have come to associate the name "Mahindra" with a certain standard of goods and services. Any attempt by another person to use the name in business and trade circles is likely to and in probability will create an impression of a connection with the plaintiffs' group of companies. Such user may also effect the plaintiff prejudicially in its business and trading activities."

7.1 Another decision relied upon by the learned counsel was rendered in a decision of the Karnataka High Court in the case of Satyam Infoway Ltd. v. Sifynet Solutions (P) Ltd. reported in (2004) 6 S.C.C. 145, and, more particularly, on the observations made in Paragraphs 1, 3 & 12 to 15. In that case, three elements of passing off action were suggested by the Apex Court in order to establish an action of "passing off". (a) The first element in an action for passing off, as the phrase "passing off" itself suggests, is to restrain the defendant from passing off its goods or services to the public as that of the plaintiff's. It is an action not only to preserve the reputation of the plaintiff but also to safeguard the public. The defendant must have sold its goods or offered its services in a manner which has deceived or would be likely to deceive the public into thinking that the defendant's goods or services are the plaintiffs. (b) The second element that must be established by the plaintiff is misrepresentation by the

defendant to the public and what has to be established is the likelihood of confusion in the minds of the public that the goods or services offered by the defendant are the goods or the services of the plaintiff. In assessing the likelihood of such confusion the Courts must allow for the "imperfect recollection of a person of ordinary memory". (c) The third element of a passing off action is loss or the likelihood of it.

7.1.1. Learned counsel has submitted that in the present case, the aforesaid three elements for a passing off action are existing, and therefore, the trial Court has rightly granted injunction in favour of the respondents.

7.2 Learned counsel has next relied upon the decision of the Delhi High Court in the case of M/s. Jugmug Electric & Radio Co. v. M/s. Telerad Pvt. Ltd. reported in A.I.R. 1977 Delhi 152. In that case, the appellant / Company, manufacturers of electrical goods and appliances were using trade mark "Telerad" to sell their goods. The said "Telerad" trade mark was registered by the respondent Company for their radio sets. It was held that the respondent who had coined the word, "Telerad" and extensively used it and acquired reputation for his products, was entitled to protect his trade name against its unauthorized use. It was further held that the use of the expression "Telerad" by the appellant was clearly not bona fide and no appreciable evidence had been shown by the appellant for use of the respondent's registered trade mark in relation to his goods, except with the intention to cause confusion and with an obvious intention to pass off their goods as originating from the respondent's manufacture or at least as of a collaborator of respondent.

7.3 Another decision relied upon by learned counsel for the respondents is in the case of Ellora Industries v. Banarasi Dass, reported in A.I.R. 1980 Delhi 254, and, more particularly, on Paragraphs 5, 12 & 13 of the said decision. The following observations made in Para 12 of the decision are relevant;

"Passing Off : The purpose of this tort is to protect commercial goodwill; to ensure that people's business reputations are not exploited. Since business "goodwill" is an asset, and therefore species of property the law protects it against encroachment as such. The tort is based on economic policy, the need to encourage enterprise and to ensure commercial stability. It secures a reasonable area of monopoly to

traders. It is thus complimentary to trade mark law which is founded upon statute rather than common law."

7.4 Next learned counsel has relied upon the decision in the case of Surjit Singh v. M/s. Alembic Glass Industries Ltd., reported in A.I.R. 1987 Delhi 319, and, more particularly, on Paragraphs 5 & 6. In that case, the petitioner applied for registration of trade mark consisting of the word "YERA" in respect of perfumery and cosmetics. The opponent Company objected to the same. It was held that the word "YERA" was being copied by the petitioner in order to take advantage of the reputation acquired by the trade mark. Perfumery and cosmetics manufactured by the petitioner are sold in bottles and glass containers and if the trade mark "YERA" appears on those bottles and glass containers, there is likelihood that a common man who would go to buy these perfumery and cosmetics would be led to believe that these goods were manufactured by the opponent company. The petitioner was, therefore, not entitled to registration under S.11(a) of the said Act.

7.5 Next decision relied upon by the learned counsel for the respondent is in the case of Daimler Benz Aktiegesellschaft v. Hybo Hindustan reported in A.I.R. 1994 Delhi 239, and, more particularly, on paragraphs 15 to 18. In that case, petitioners used the word "Benz" for a very high priced and extremely well engineered car and the defendant used the said name to undergarments. It was held therein that if despite legal notice, any one, big or small, continues to carry the illegitimate use of a significant world wide renowned name / mark, there cannot be any reason for not stopping the use of a world reputed name and that none should be continued to be allowed to use a world famed name to goods which have no connection with the type of goods which have generated the world wide reputation.

7.6 Learned counsel has next relied upon the decision of the Bombay High Court in the case of Sunder Parmanand Lalwani v. Caltex (India) Ltd., reported in A.I.R. 1969 Bombay 24, and, more particularly, on Paragraphs 49, 50 & 56. In that case the appellant Company had applied to use the mark "Caltex" for their watches which was already being used by the respondent Company. The Court held that a large number of persons, if they saw or heard about the mark "Caltex" in connection with the applicant's watches, would be led to think that the watches were in some way connected with the opponents who were dealing in petrol and various oil products with the

Caltex mark, or they would at least wonder whether they were in any way connected with the opponents'. Persons seeing the mark attached to watches, which was a new class of goods, would assume, or were most likely to assume that they originated from the opponents. If, therefore, the application for registration was granted and the mark was used in connection with the watches in respect of which the application was made, it was likely to cause deception and confusion.

7.7 Learned counsel has next relied upon a decision in the case of Kirloskar Diesel Recon Pvt. Ltd. v. Kirloskar Proprietory Ltd., reported in A.I.R. 1996 Bombay 149, and, more particularly, on Paragraphs 13 & 14. The following observations made in Para 14 are relevant;

> "14. In the case of trading name which has become almost a household word and under which trading name a variety of activities are undertaken, a passing off can successfully lie if the defendant has adopted identical or similar trading name and even when the defendant does not carry on similar activity. Even if the defendant's activities in such circumstances, are remote, the same are likely to be presumed a possible extension of plaintiff's business or activities."

7.7.1 Learned counsel has, therefore, contented that the mark of the plaintiffs has achieved such a reputation in the market that the action of the defendants in the present case would lead to presume a possible extension of the plaintiff's business or activities.

7.8 Learned counsel has relied upon a decision in the case of Essel Packaging Ltd. v. Essel Tea Exports Ltd., reported in A.I.R. 1998 Bombay 102, wherein it has been held that with the passage of time the law on requirement of common field of activity in a passing of action has radically undergone a change and there is no requirement for a common field of activity to find a claim in passing off because the real question in each of such cases is whether there is, as a result of misrepresentation, a real likelihood of confusion or deception of the public and consequent damage to the plaintiffs is likely to be caused and if that is the test, then the focus is shifted from the external objective test of making comparison of activities of parties to the state of mind of public in deciding whether it will be confused.

7.9 Learned counsel has next relied upon the decision of the Allahabad High Court rendered in the case of Bata India Ltd. v. Pyarelal & Co. reported in A.I.R. 1985 Allahabad 242 [Relevant Paragraphs on pages 243, 250 & 252]. In that case, the plaintiff "BATA" Company filed a suit for temporary injunction against the defendants restraining them from using the mark "BATAFOAM" or otherwise associating the name of "BATA" in any manner or form etc.. The Court held that the plaintiffs had cause of action for instituting the proceedings for passing off. The plaintiff had made out a case for issuance of an interim order of injunction in respect of the user of the name "BATA" to any of their products by the defendants. The name "BATA" was well known in the market and the user of such name was likely to cause not only deception in the mind of ordinary customer but could also cause injury to the plaintiff company and the fact that the plaintiff was not producing foam was not enough to hold that there could be no passing off action in respect of the user of the name "BATA" to the products marketed by the defendants.

7.10 Learned counsel has placed reliance on the decision in the case of Honda Motors Co. Ltd. v. Charanjit Singh & Ors. reported in 2003 (26) P.T.C. 1 (Delhi). In that case, the defendants used the mark "HONDA" for their product "Pressure Cooker". It was held that the plaintiff's business was of international character, and therefore, the reputation and good will attached to its trade mark HONDA was also of international repute. Its use by the defendants for a product like pressure cooker, to acquire the benefit of its goodwill and reputation so as to create deception for the public who are likely to buy defendant's product believing the same as coming from the house of HONDA or associated with the plaintiff in some manner would dilute the goodwill and reputation of the plaintiff and the wrong committed by the defendants would certainly be an actionable wrong and the plaintiff was within its right to ask for restraint against the defendants from using its mark HONDA for their products.

7.11 Learned counsel has next relied upon the decision delivered by the Intellectual Property Appellate Board, Chennai in the case S. K. Patel v. Deputy Registrar of Trade Marks & Ors. reported in 2004 (29) PTC 634 (IPAB), wherein it has been held that where a registered trade mark has got the reputation and goodwill, such trade marks cannot be permitted to be used by another person as the same would cause confusion in the mind of the general public, that the goods being manufactured with the

identical trade mark has some connection with the registered proprietor of that trade mark. Such confusion cannot be totally ruled out. Accordingly, the order of the Registrar of Trade Marks was quashed and set aside.

7.12 Learned counsel has next relied upon the decision of the Madras High Court in the case of Caterpillar Inc. U.S.A. v. Jorange & Anr. reported in [1998 (1) Arb. L.R. 670 = CTMR 1998 (1) 670 = 1998 (18) PTC 31], and, more particularly, on Paragraph 22. It reads as under;

> "22. In the normal course, in appeals, the discretionary orders passed in the matter of granting or refusing injunction are not interfered with. But in the case on hand, the exercise of discretion by the learned single Judge in dismissing the application filed by the plaintiff for grant of injunction was the result of non-application of the settled principles of law governing exercise of such discretion. In our view, the plaintiff has made out a prima facie case having regard to the trans-border reputation established by it, undoubtedly with regard to heavy duty vehicles all over the world, and in several countries even with regard to garments in the trade mark of "CATERPILLAR" and "CAT"."

7.13 Learned counsel has next relied upon a decision of the Bombay High Court in the case of Poddar Tyres Ltd. v, Bedrock Sales Corporation Ltd. reported in A.I.R. 1993 Bombay 237, wherein it has been held that any trader who exclusively sells goods bearing registered trade mark belonging to another person, has no right to adopt trade name which would include the said trade mark; and, such adoption would amount to both infringement and passing off action prima facie. It has been further held that the pendency of a rectification application does not prevent the registered proprietors of the trade mark from exercising statutory rights under the Act or from seeking interim relief based thereon.

7.14 The Apex Court in the cases of Vishnudas v. Vazir Sultan reported in [A.I.R. 1996 S.C. pg.2275 = 1997 (4) S.C.C. pg.201] and Tube Investments of India Ltd. v. Trade Industries, Rajasthan, reported in (1997) 6 S.C.C. pg.35 has expressed the same view.

7.15 The Delhi High Court in the case of the plaintiff-Trust in Shantaben Karsanbhai Patel & Ors. v. S.C.Jain & Anr., reported in 2001 (2) CTMR pg.47 (Delhi),

after relying on the decision in the case of Sunder Permanand Lalwani's (supra), has laid down in Para 8 & 10 of the decision as under;

"8. From the aforesaid unrebutted testimony of the plaintiffs it is amply proved that the plaintiffs are the registered owner of the trade mark NIRMA in respect of various goods including coffee, tea and other related goods. The plaintiffs have also been able to demonstrate that NIRMA is their invented word. It has acquired great reputation. The plaintiffs have been spending huge amount on the advertisement in relation to the trade mark NIRMA. Sales in relation to their various goods i.e., soap and detergent cakes etc. are mounting every year by leaps and bounds. The plaintiffs are extending their company and they have a scheme to enter into cognate and allied goods of the consumer products of all types like tea, rice, coffee, biscuits, cake, agarbatties and pharmaceutical goods etc. Since the plaintiffs are the registered trade mark owner of NIRMA in relation to coffee, tea as well, use by the defendants of the trade mark NIRMA TIGER TEA in respect of their product is clear infringement of the plaintiff's trade mark under Sections 28 and 29 of the Trade and Merchandise Marks Act..."

"10. The plaintiffs are therefore entitled to the reliefs prayed in the suit. A decree of permanent injunction is accordingly passed restraining the defendants, their servants, agents, stockists and all other persons on their behalf from using or infringing the registered trade mark of the plaintiffs - NIRMA under No.422815-B either in respect of tea or other cognate or allied goods. They are also restrained from passing off and enabling others to pass off their goods as the goods of the plaintiffs. The defendants are directed to deliver the offending trade mark, its plates, blocks, stationery and advertising and printing material, if any in their possession, bearing trade mark NIRMA for the purpose of distribution or obliteration. Since the defendants have not been using the trade mark NIRMA in respect of tea, since 11th November, 1992 in view of the restraining order passed in the suit, the decree for rendition of accounts is passed for a period

of three years from the date of filing of the suit. Since the suit was filed on 5th November, 1992, the decree for rendition of account is passed for the period w.e.f. 6th November, 1989 till 11th November, 1992 when the interim injunction was passed. The plaintiff shall also be entitled to costs. Decree sheet be prepared accordingly."

7.16 Similar view has been adopted by the Court in Polson Ltd. v. Polson Dairy Ltd. reported in 1996 PTC (16) pg.709 and in a decision of the Chancery Division in the case of Second Sight Ltd. v. Novell UK Ltd. and Novell INC. reported in [1995] R.P.C. pg.423.

7.17 Learned counsel has next relied upon a decision in the case of Ruston & Hornby Ltd. reported in A.I.R. 1970 S.C. 1649, wherein it has been held that in an action for infringement where the defendant's trade mark is identical with the plaintiff's mark, the Court may not enquire whether the infringement is such as is likely to deceive or cause confusion. But where the alleged infringement consists of using not the exact mark on the Register, but something similar to it, the test of infringement is the same as in an action for passing off. In other words, the test as to likelihood of confusion or deception arising from similarity of marks is the same both in infringement and passing-off actions.

7.18 The Apex Court in the case of Laxmikant V. Patel v. Chetanbhat Shah and another reported in A.I.R. 2002 S.C. page 275 had adopted the same view.

7.19 Learned counsel has next relied upon a decision in the case of Simatul Chemical Industries Pvt. Ltd. v. Cibatul reported in A.I.R. 1978 Guj pg.216, wherein it has been held that where no trade marks are used for the products and a manufacturer complaints that the likely customer of his goods is apt to be confused by the similarity between the name of his Company and the name of some other Company which has subsequently started production, though the Court has to apply the test whether such hypothetical consumer would be confused in selecting the goods of rival Companies by the similarities in their names, the Court has ultimately to form its own opinion on the matter and the test to be applied is the test of an average person with imperfect recollection.

7.20 Learned counsel for the plaintiffs has next relied upon a decision of the Gujarat High Court in the

case of Cadila Healthcare Ltd. v. Cadila Pharmaceuticals Ltd., reported in JT 2001 (4) S.C. 243, wherein the Apex Court had laid down certain factors in order to decide an action of passing off on the basis of unregistered trade mark. It has held that factors like the nature of the marks i.e. whether the marks are word marks or label marks, the degree of resembleness between the marks phonetically similar and hence similar in idea, the nature of the goods in respect of which they are used as trade marks, the similarity in the nature, character and performance of the goods of the rival traders, the class of purchasers who are likely to buy the goods bearing the marks they require, the mode of purchasing the goods or placing orders for the goods and the any other surrounding circumstances which may be relevant in the extent of dissimilarity between the competing marks are to be considered.

7.21 Learned counsel has next relied upon a decision in the case of Ciba Ltd. v. M. Ramalingam reported in A.I.R. 1958 Bombay 56, wherein the Court has dealt with the question of delay. It has been held therein that delay cannot be a ground for refusing to exercise discretion by the trial Court in the matter of granting temporary injunction and the Court must protect the public interest irrespective of what hardship or inconvenience it may cause to a particular party whose trade mark is likely to deceive or cause confusion.

7.22 Similar view has been adopted by the Apex Court in the case of Laxmikant Patel v. Chetanbhai Shah reported in A.I.R. 2001 S.C.W. 4989, in Rupa & Co. Ltd. v. Dawn Mills Co. Ltd. reported in A.I.R. 1998 Gujarat 247, in Midas Hygiene Industries P. Ltd. v. Sudhir Bhatia reported in [2004 (3) SCC 90 = 2004 (28) PTC 121 and by the Madras High Court in the case of J.Zeenath Bivi v. M. Khader Ibrahim & Ors., reported in CTMR 2004 (1) 162.

7.23 Learned counsel appearing for the respondents has next relied upon a decision of the Delhi High Court in the case of N. R. Dongre v. Whirlpool Corpn. reported in 1996 PTC (16) 583, wherein it has been held that where the trial Court has granted interlocutory injunction in favour of the plaintiff, on the basis of conclusions arrived at with the help of the material on record, the appellate Court cannot re-assess the material on record and reach a different conclusion, if the conclusion reached by the trial Court is reasonably possible.

7.24 Learned counsel has next relied upon a decision

of the Bombay High Court in the case of Hindustan Embroidery Mills Pvt. Ltd. v. K. Ravindra & Co. reported in 1967 (76) B.L.R. 146, wherein the test for determing whether a trade mark claimed by a person, other than the manufacturer of the goods, is registrable under the Trade and Merchandise Marks Act or not was laid down. It was held therein that if any essential feature of a plaintiff's registered trade mark is reproduced or appears in a mark used by the defendant, in respect of which the plaintiff's application for its registration is pending, the defendant could be restrained from using the same.

7.25 In a decision of the Kerala High Court in the case of National Garments, Kaloor, Cochin v. National Apparels, Ernakulam, Cochin reported in A.I.R. 1990 Kerala pg.119, it was held that while considering an application for prohibitory injunction in an action for passing off, the principle applicable for granting interlocutory injunction is slightly different from the principle applicable in ordinary cases. For a temporary order in an action for passing off, the plaintiff need not in general show a strong prima facie case. However, the prima facie case that is required to be shown must be something more than a case that will avoid the action being struck out as frivolous or vexatious. Generally stated "even if the chance of success at the trial are only 20 per cent" the interim relief sought for is required to be granted. There is another reason for the grant of the interlocutory injunction under such circumstances. Such an order would stop the infringement without delay. Not only that from experience it is clear that a successful motion for interlocutory injunction "normally puts an end to the litigation and the infringement, with a great saving in expense compared with a full trial" and that is the reason why the law insists upon a hearing of such a motion in every case.

7.26 Similar view has been adopted in a decision of this Court in the case of Cadila Pharmaceuiticals v. Torrent Pharmaceuticals rendered in Appeal from Order No. 275 of 1998 dated 11/06/1996.

7.27 Mr.Kamal B Trivedi learned counsel appearing for the respondents-plaintiffs has, therefore, submitted that the decisions relied upon by Mr.P M Thakkar learned counsel appearing for the appellants-defendants shall not apply to the case on hand, inasmuch as an action of passing off is maintainable in law, even in cases where goods being traded under deceptively and / or phonetically similar mark were different in character

with different trade channels and different prices, so long as the mark in question was subsisting on the Register. He has submitted that in an action of passing off, there is no need to show or prove prejudice or actual damage and that a probability of confusion in the mind of the general public was sufficient. He has submitted that the appropriate remedy available to the appellants-defendants was to initiate rectification proceedings under Section 46 read with Section 45 of the said Act before the appropriate authority and not to infringe a mark which is already being used by a person. He has, therefore, submitted that the trial Court has rightly granted injunction in favour of the plaintiffs.

8.0 Mr.P M Thakkar learned counsel appearing for the appellants-defendants has submitted that the trial Court has committed grave error by granting injunction in favour of the respondents-plaintiffs since the appellants-defendants are using the mark NIMA from 12.02.1997 onwards with respect to flour mills, whereas the respondents-plaintiffs have used either the mark NIRMA or NIMA for the said product at all. He has submitted that since the mark NIMA is not used as a trade mark with respect to any of the goods of the respondents-plaintiffs, either in Class 3 or Class 7, the findings recorded by the trial Court as regards Associated and Defensive trade marks are illusory. He has submitted that the suit filed by the plaintiffs is not tenable in law since they had obtained registration of the mark NIRMA, which is included in Class 7, in the year 1984, but had not till today used the said mark in respect of the said goods. He has, therefore, submitted that the trial Court has committed a serious error by granting injunction in favour of the plaintiffs.

8.1 Mr.Thakkar learned counsel appearing for the appellants-defendants has, therefore, submitted that the learned trial Judge has committed a serious error in granting injunction in favour of the respondents-plaintiffs, since their didn't exist even a remotest possibility of deception or confusion or passing off with that of the goods of the plaintiffs, as has been held in Cadila Health Care's case (supra). Learned counsel has submitted that since the said mark NIMA has been used by the defendants in respect of "flour mills", there is no likelihood of passing off, as the rivalry is between different types of products and the features of the respective trading and marketing of the products were also vastly different [Alkem Laboratories Pvt. Ltd.'s case] & [Nestle's Product Ltd.'s case] (supra). Learned counsel has submitted that since the mark NIMA was

registered only in respect of goods included in Class 3, the use of the said registered mark by any person in any manner or in any circumstances, not covered by the scope of registration, does not constitute infringement [Relaxo Rubber Limited] (supra). Learned counsel has further submitted that the marks of the plaintiffs should not be permitted to enjoy monopoly in respect of all the articles which may come under a broad classification, since it would preclude the other traders or manufacturers to get registration of separate and distinct goods, like that of the defendants, which may also be grouped under the said broad classification [Vishnudas Trading's case] & [Rustom Ali Molla's case] (supra). Learned counsel has submitted that factors like the nature of the mark, the class of customers, the extent of reputation etc. are required to be taken into consideration before recording a conclusion as to whether there is a likelihood of deception or confusion by use of the said mark [Soni Kabushiki Kaisha's case] & [Corn Products Refining Co.'s case] (supra). Learned counsel has, therefore, submitted that the exercise of discretion in favour of the plaintiffs is required to be quashed and set aside.

9.0 I have heard learned counsel for the parties and perused the documents placed on record. It is required to be noted that the present appeal from order is directed against the interlocutory order in so far as injunction was granted by the trial Court. At this stage, it will not be appropriate to consider the matter on merits. The only limited question which requires consideration by this Court is whether the trial Court has committed any error in exercising its discretionary power while deciding the interim application and whether the principles for deciding notice of motion applications i.e., the existence of a prima facie case, balance of convenience and irreparable loss were followed or not.

9.1 On considering the evidence on record and the decisions relied upon by both the sides it is not in dispute that the mark NIMA was registered in the year 1982 and the products with the said mark were marketed in the year 1998-1999. Since the said mark was registered, any resemblance to the said mark shall amount to infringement of the right given by registration and may attract an action of passing off. Once the trade mark is registered, legal protection is available to the proprietor of such registered trade mark and the user of the mark is not the conditional requirement of such protection.

9.2 As regards the contention raised by the learned counsel for the appellants to the effect that the suit of the respondents-plaintiffs for passing off is to be considered in the facts of the present case where the respondents-plaintiffs, though have got registration of the trade mark NIRMA in respect of the goods included in Class 7, but have not till today used the said mark in any of the goods, it is required to be noted that registration of a mark is not to be made qua particular goods falling under a Class in which registration is sought. Registration is conferred in respect of a Class of goods and not in respect of particular goods. In an action of passing off, it is immaterial whether the goods of the parties are different, their trade channels are different or that the prices are different. As per the settled legal position, with the passage of time, law on the requirement of common field of activity in a passing off action has radically changed. The focus has now shifted to the state of mind of the public at large in deciding as to whether the said mark will be confusing or deceptive. The aggrieved party has not to show or prove any prejudice or actual damage and a probability of confusion in the mind of the public at large is sufficient to prove an action of passing off. Therefore, the trial Court was justified in granting injunction in favour of the plaintiffs though the trade channels, prices etc of the goods in question were different.

9.3 On perusal of the documentary evidence on record, it appears that the marks of the plaintiffs were registered and renewed from time to time, bearing Registration No.422839 for NIRMA and No.396185 for NIMA. It is undisputed that the plaintiff's trade mark NIRMA is registered in all Classes of goods and the trade mark NIMA is registered in Class 3 of goods. Therefore, prima facie, it is established that proprietary rights with respect to the above referred two marks i.e. NIRMA and NIMA, vested with the plaintiffs.

9.4 It is pertinent to note that non-user of a registered trade mark can be a ground for moving a rectification application before the appropriate authority. However, the same would not entitle the defendants, in the present case, to start infringing the mark of the plaintiffs, when the said mark is subsisting on the register. If the appellants are aggrieved by the presence of a mark on the register, the only course available to them, is to get the said mark scored off of the register. Without the prior permission of the proprietor of the registered trade mark, no one can use and adopt the said mark which is deceptively similar to

the said registered mark. Therefore, the intention of the appellants in adopting the mark NIMA, can under no circumstances, be said to be bonafide or genuine, inasmuch as the application for registration of the said mark was moved by the appellants, only after the plaintiffs had served a cease and desist notice followed by attempts to amicably solve the dispute.

9.5 As regards the contention raised with respect to delay is concerned, it is required to be noted that the mark NIMA was got registered on 08.10.1982 in respect of Class 3 and on 20.12.2004, with effect from 15.10.1998, in respect of Class 7. On coming to know on 22.03.1998, that the appellants had adopted the mark NIMA and that they were manufacturing and marketing flour mills by using the said mark NIMA, Notices were issued to the appellants to stop the use of the said mark. However, no heed was paid by the appellants-defendants to the said requests made by the respondents-plaintiffs. He has, therefore, submitted that the plea of the defendants that there was a delay in bringing action in the Court, after commencement of its business, cannot have any bearing in the matter for grant of injunction, since the defendants were put to notice at the earliest available opportunity. Moreover, the point of delay as raised by the defendants is not acceptable in view of the decision of the Apex Court in the case of Rupa & Co. v. Dawn Mills Co. Ltd. (supra), wherein it has been held that delay cannot be a ground for refusing or grant of injunction.

10.1 Before concluding the judgment, it is required to be noted that the jurisdiction of the appellate Court is very limited. This has been asserted in the decision reported in 1942 Appeal Cases page 130. At page 138 of the said decision it is stated as under:

> "... The appellate tribunal is not at liberty merely to substitute its own exercise of discretion for the discretion already exercised by the judge. In other words, appellate authorities ought not to reverse the order merely because they would themselves have exercised the original discretion, had it attached to them, in a different way. But if the appellate tribunal reaches the clear conclusion that there has been a wrongful exercise of discretion in that no weight, or no sufficient weight, has been given to relevant considerations such as those urged before us by the appellant, then the reversal of the order on appeal may be justified. This matter was elaborately discussed in the decision

of this House in Evans Vs. Bartlam (2), where the proposition was stated by my noble and learned friend, Lord Wright, as follows (3): "It is clear that the Court of Appeal should not interfere with the discretion of a judge acting within his jurisdiction unless the court is clearly satisfied that he was wrong. But the court is not entitled simply to say that if the judge had jurisdiction and had all the facts before him, the Court of Appeal cannot review his order unless he is shown to have applied a wrong principle. The court must if necessary examine a new the relevant facts and circumstances in order to exercise a discretion by way of review which may reverse or vary the order. Otherwise in interlocutory matters the judge might be regarded as independent of supervision. Yet an interlocutory order of the judge may often be of decisive importance on the final issue of the case, and one which requires a careful examination by the Court of Appeal. Thus in Gardner Vs. Jay (I), Bowen L.J. in discussing the discretion of the judge as regards mode of trial says: "That discretion, like other judicial discretions, must be exercised according to common sense and according to justice, and if there is a miscarriage in the exercise of it, it will be reviewed."

10.2 The above view has been followed by the Apex Court in the case of U. P. Cooperative Federation Ltd. Vs. Sunder Bros, Delhi, reported in AIR 1967 SC 249 (=1996 Supp SCR 215). Paragraph 8 of the said decision is relevant which reads as under:

"(8) It is well established that where the discretion vested in the Court under S.34 of the Indian Arbitration Act has been exercised by the lower court the appellate court should be slow to interfere with the exercise of that discretion. In dealing with the matter raised before it at the appellate stage the appellate court would normally not be justified in interfering with the exercise of the discretion under appeal solely on the ground that if it had considered the matter at the trial stage it may have come to a contrary conclusion. If the discretion has been exercised by the trial court reasonably and in a judicial manner the fact that the appellate court would have taken a different view may not justify interference with the trial court's exercise of

> discretion. As is often said, it is ordinarily not open to the appellate court to substitute its own exercise of discretion for that of the trial judge; but if it appears to the appellate court that in exercising its discretion the trial court has acted unreasonably or capriciously or has ignored relevant facts then it would certainly be open to the appellate court to interfere with the trial court's exercise of jurisdiction."

10.3 Similar view has been reiterated by the Apex Court in cases of The Printers (Mysore) Pvt. Ltd. v. Pothan Joseph, reported in AIR 1960 SC 1156 = 1960(3) S.C.R. pg.713, Wander Ltd. v. Antox India Pvt. Ltd, reported in 1990 (Supp) SCC 727, N.R.Dongre v. Whirlpool Corp., reported in 1996 P.T.C.(16) pg.583 and in Laxmikant V.Patel v. Chetanbhai Shah, reported in AIR 2002 SC 275.

10.4 Mr.Trivedi learned counsel for the respondents-plaintiffs has also relied upon a decision of this Court in the case of Adani Export Ltd. v. Marketing Service Incorporated & other reported in [2005] 8 G.H.J. pg.517, wherein the principle laid down in the aforesaid decisions was followed by this Court.

11.0 From the above discussions, it is clearly established that the plaintiffs have statutory rights since they have registration of the trade marks NIRMA and NIMA. If injunction was not granted in favour of the plaintiffs, it would have amounted to infringement of the trade mark of the plaintiffs. The trial Court has rightly concluded that if the defendants were restrained from using the mark NIMA, it would not cause any irreparable loss to the defendants since the defendants had entered the market only before a couple of years, whereas against that, the plaintiffs were doing business with the said marks since the last two decades. Moreover, the total turnover of the plaintiffs is more than 900 crores and average annual budget for advertisement is about 11-12 crores. Therefore, if the defendants are not restrained from using the said mark, it would cause irreparable loss to the business, reputation, goodwill etc. of the plaintiffs. As said above, if the defendants are aggrieved by the presence of the said mark on the register, the only course available to them is to prefer rectification application before the appropriate authority in order to get the said mark scored off of the register.

12.0 In above view of the matter, I am of the opinion

that the impugned order passed by the trial Court is just and proper.

12.1 The trial Court was, therefore, perfectly justified in granting injunction in favour of the plaintiffs. Under the circumstances, I am of the opinion that no case is made out by the defendants to cause interference by this Court in the impugned order. In the result, this appeal from order is dismissed. Interim relief granted earlier stands vacated. No orders as to costs.

12.2 However, since the suit in question is of the year 1999, the City Civil Court, Ahmedabad, is directed to expedite its hearing and to dispose it of within a period of six months, if it is already ripe for hearing; otherwise, within a period of two years from the receipt of writ of this order. Office is directed to send writ of this order forthwith. With the above observations and directions, this appeal from order stands disposed of. Interim relief granted earlier stands vacated. No order as to costs.

ORDER IN CIVIL APPLICATIONS

In view of the order passed in the main matter, both the civil applications shall not survive. They stand disposed of accordingly.

(K. S. Jhaveri, J.)

1. At this stage, Mr.Navin Pahwa learned advocate appearing for Mr.P M Thakkar for the appellant-defendants requests for time to prefer appeal. Mr.Y J Trivedi learned advocate appearing for the respondents-plaintiffs has strongly objected towards the grant of time.

2. Initially, this Court was not inclined to grant the request made by the learned advocate for the appellant. However, since Mr.Pahwa learned advocate has stated that the opportunity to prefer an appeal should not be taken away from the appellant, I am of the opinion that some time can be granted to the appellant to prefer the same.

3. In above view of the matter, interim relief granted earlier is extended upto 23/05/2005.

(K. S. Jhaveri, J.)

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